NEWSWEEK 15 August 1983

Mole Tunnels Under A Soviet Consulate

Special agent David Castleberry was an FBI heavy—literally. Late last year, after his weight ballooned past 300 pounds, the bureau fired him. But Castleberry did not go easily. "I have been a loyal and dedicated employee," the 13-year veteran complained in a letter to FBI Director William Webster. His achievements included "the ultrasecret 'tapping' of the phones of the Trade Missions of our Allies in San Francisco," he claimed, and he referred to "a photograph of me in a tunnel under the Soviet Consulate in San Francisco." When Castleberry filed suit demanding reinstatement, FBI staffers included his letter in the court's public record, an oversight that has inflamed Soviet diplomats in San Francisco and enthralled the city with the case of a very big FBI mole.

Local newsmen quickly swarmed around the Soviet Consulate in search of the "spy tunnel." Some of them questioned a Pacific Gas & Electric crew working on the corner: were they really utility workers? Yes, insisted a company spokesman. Soviet Consul Vladimir M. Kulagin eventually admitted a TV crew into his foyer. Any FBI tunnel under his building, he declared, "clearly proves a case of gross violation by a host country of international law." In Washington, the FBI and Justice Department were not talking at all.

Bugs: The nation's watchdogs have long had problems with the consulate. In 1971 they lobbied against selling it to the Soviets in the first place: the site boasts a commanding view of ship movements under the Golden Gate Bridge and excellent conditions for intercepting microwave communications. The FBI, the CIA and the National Security Agency contributed conflicting plans for bugging the structure, according to one knowledgeable source. The result: a rather inefficient jumble of listening devices tunneled in through the basement. In any case, Castleberry's revelations could not have surprised the Soviets. In 1975, consular employees were observed digging carefully along the walls of the building. The FBI assumes that the Soviets found some termites-and plenty of other bugs.